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TAGS: PGOV PREL PHUM PINR IZ
SUBJECT: ERBIL: DEPUTY SECRETARY DISCUSSES SOFA, PKK
ATTACK, PROVINCIAL REPRESENTATION FOR MINORITIES WITH
PRESIDENT TALIBANI

Classified By: Regional Coordinator Lucy Tamlyn for reasons 1.4 (b) and (d).

This is an Erbil Regional Reconstruction Team (RRT) cable.

- 11. (C) SUMMARY: In an October 4 meeting in Sulaymaniyah with Iraq's Presidency Council and Deputy Prime Minister Barham Salih, Iraq President Jalal Talibani told visiting Deputy Secretary Negroponte and Ambassador Crocker that the Presidency Council would propose adding Article 50 (election quotas for religious minorities) to the recently-passed election law. He condemned the Kurdistan Workers, Party (PKK) killing of fifteen Turkish soldiers, at a time when relations between the Kurdish Regional Government (KRG) and Turkey were improving. The Deputy Secretary called gaining agreement on a Status of Forces Agreement (SOFA) the highest priority for the United States in Iraq. He urged President Talibani to make a strong pitch in support of the SOFA in the Iraqi parliament and with the public (reported separately). End summary.
- 12. (C) Deputy Secretary John Negroponte and Ambassador Crocker met Iraqi President Jalal Talibani on October 4 at President Talibani,s compound outside Sulaymaniyah. President Talibani was accompanied by Deputy Prime Minister Barham Salih (Kurd, Patriotic Union of Kurdistan) and Vice President Tariq Al-Hashimi (Sunni Arab, Iraqi Islamic Party). Vice President Adel Abdul Mahdi (Shia Arab, Islamic Supreme Council of Iraq) joined the group after lunch. Other U.S. participants included Senior Advisor Tom Krajeski and Erbil Regional Reconstruction Team Deputy Team Leader Tamlyn (notetaker).
- ¶3. (C) The Deputy Secretary led off the discussion by noting that there were important bilateral issues that needed to be resolved before the end of the year. This was a moment of opportunity for Iraq, he said, and it was in Iraq,s interest that there be forward momentum as the next American Administration came on board. Agreement on a Status of Forces Agreement (SOFA) was the highest priority for the United States right now. Comparing notes with President Talibani on the Kirkuk issue, Deputy Secretary Negroponte remarked that in his visit that morning it had been good to see the Provincial Council meeting again, and that the chemistry appeared good among the members. Talibani commented that having a Turcoman Front representative head the Municipal Council was a good example of power-sharing. He expressed his conviction that the Kirkuk situation, while complicated, could be solved by working on a consensus basis.

Amending the Election Law

14. (C) President Talibani informed the Deputy Secretary that the Presidency Council had agreed that the recently-passed provincial election law should be signed and returned to Parliament with a proposed amendment which would reinstate

Article 50 (guaranteeing representation for religious minorities). He claimed that this could be done without re-opening the law. He commented that leaving out the article in question had attracted a lot of negative international attention. He had received many calls, including a call from the Vatican, on the issue.

Relations with Turkey

15. (C) President Talibani called the PKK killing of fifteen Turkish soldiers earlier that day a "very bad" development --particularly as it came at a time when KRG relations with Turkey were improving. He complained that "when we pressure the PKK they say they will respect the cease-fire, but then they do not." To illustrate the point, he reported that PKK founding leader Abdullah Ocalan had sent him a letter (from prison) saying that the PKK wanted peace and was ready to lay down arms, but it was clear they were scheming otherwise. Talibani reported that in his UNGA meeting with the Turkish PM, Erdogan had expressed his wish to visit Iraq -- both North and South -- and had said "kind words" about the KRG. Talibani suggested the visit should include Basra and Kirkuk as well as Baghdad and Erbil. (Note: Both the KRG and the Government of Iraq condemned the killings the same day, as reported in reftel. End comment.)

Energy Issues and Hydrocarbon Legislation

16. (C) President Talibani recalled that Iraq had agreed with Turkey to build a gas pipeline through Turkey to supply

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Western Europe. There would be two new pipelines -- a new one for oil and the gas pipeline. He also mentioned that a four-country (Iran, Iraq, Turkey and Syria) Energy Summit was to be held in Izmir with Ministers of Oil (no date given). Deputy Prime Minister Salih voiced concern that Iraq,s oil exports were dropping due to poor management -- to his mind, this was a bigger problem than lack of hydrocarbons legislation. Concerning the long-pending legislation, the Deputy Secretary noted that he had invested considerable time working with KRG President Barzani and KRG Prime Minister Barzani to get them to support the law. Ambassador Crocker urged returning to the February 2007 hydrocarbons agreement; he noted that the Kurdistan region also needed to desist from signing new contracts until legislation was passed.

17. (C) President Talibani said that this topic had also been discussed the day before with President Barzani. They had agreed that any contracts must be consistent with the Constitution. If contracts turned out not to be consistent with the Constitution, they would need to be changed. He noted that according to the Constitution, any new contract was to be done by the Central and Regional governments "together." However, the key word, "together" had been left out of the latest draft of the hydrocarbons legislation.

President Talibani,s UNGA Meetings

- 18. (C) President Talibani reported on bilateral meetings held in with Japan and Iran in New York. The Japanese Prime Minister had been very solicitous and had asked for a projects "wish list" from the Iraqis. Deputy Prime Minister Barham Salih noted that the Japanese presence was increasing: Iraq had received a USD 5 billion soft loan from Japan of which USD 3.5 billion was already committed. Plans were afoot for a Japanese-Iraq Business Forum meeting in Erbil.
- $\P9$. (C) President Talibani reported that Iranian President Ahmadinejad had said "something very strange" to him, that "if there were guarantees, we will stop enrichment." Talibani had asked him if he had told this to the Americans or Europeans. Ahmadinejad said "I told (IAEA head) El

Baradei." Barham Salih commented that the Iranians were active in commerce and some joint ventures, but they were very keen on moving into banking. Looking ahead to elections in Iran, Talibani said frankly "they need a new President;" Khatami might have a chance if he were able to rally all of the reformers around him. At the same time, Talibani acknowledged that the real power in Iran did not lie in the Presidency. The most important institutions right now were the Iranian Revolutionary Guard Corps and the Supreme Leader.

Looking Ahead: Topics for KDP/PUK Discussion; Visitors and Events in Baghdad

110. (C) President Talibani closed the meeting by informing the Deputy Secretary that the KDP and PUK would be meeting on October 5. In a new tack, they would start with Iraq issues rather than Kurdistan issues. The oil law would be one of the first topics; they would also discuss KDP/PUK power sharing. President Talibani informed the Deputy Secretary that Egyptian President Mubarak had authorized the "formalization" of the Iraq-Egyptian Cooperation Agreement. Future visits to Baghdad included the Egyptian Prime Minister and the Prime Ministers of Kuwait and Lebanon. (Note: The Egyptian Foreign Minister visited Talibani the next day in Sulaymaniyah. End note.) Talibani also noted that the Iraq-U.S. Economic Dialogue was scheduled to be held in Baghdad with the participation of major U.S. companies by the end of the month.

111. (C) DepSec staff has cleared this cable.

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